



SKELETON KEY

Dear Chairmen King and Committee Members,

In 2005, I visited a few Texas wineries. The industry was tiny then and barely growing. That day the spark happened to ignite my love for wine and especially Texas wine. I went back to Texas A&M University and changed my major focusing on wine and grape production. The industry has grown by leaps and bounds since then. In part, largely, by a lot of passionate people getting in the wine and grape industry, competing on a worldwide playing field. There is a segment of the industry which does not wholesale wine in the marketplace, but merely at their tasting room. Our industry is young, as a state we only produce about 5% of the wine Texans consume. The 95% of other wine consumed in our state comes from other states and countries all over the world. Those regions, including France, Spain, Argentina, Italy, Chile and Australia, all have "Origin of Authenticity" which means if a wine uses the region name, the wine must be 100% from that region. California, Oregon, New York and Washington make up 95% of the wine produced in the United States, and each of those states have Origin of Authenticity. Each of those states have passed state laws protecting their states "appellation" and protecting the standards to use their name. For us to grow our customer base we must play by the rules of the rest of the world. Texas is one of the most polarizing names on the planet. We must protect the name "Texas" in order to grow our industry.

I was very supporting of HB 4233 (Kumepel) last session, which would have granted "Truth in Labeling" to Texas wines. I urge you to review the committee hearing video from April 16, 2019. You will see through the oral testimony, the few opponents of the "Truth in Labeling Bill" cited that they wanted to keep the Texas name because it was important to consumers. However, in the end, they don't want to pay Texas farmers for the fruit, or better yet grow it themselves. Truth in Labeling does not mean that wineries in Texas are not able to make wine from fruit outside of the state, it simply ensures wines with a Texas appellation are in fact grown in Texas.

Ultimately, William Chris Wine Company, which is the largest 100% Texas grown wine producer in the state, will not benefit near as much as small winery and vineyard owners across the state. By protecting the appellation of Texas; grape farmers and wine makers can help grow Texas as a competitor on the worldwide scale. We are poised as a state to become one of the premier wine producing states in the country. Texas has a unique terroir, strong agricultural industry, and unparalleled access to consumers. Protecting Texas as an appellation will position the industry to be regarded like California, Oregon, Washington and New York, who have all grown their industry after implementing similar laws. We must protect our appellation, grow better grapes, make better wine in order to continue the growth of our industry.

We celebrate incredible direct to consumer (DTC) sales through our tasting rooms and wine clubs. As more and more farmers convert from row crop farming to grapes, it is important to consider how that wine will be sold. Grocery stores, retailers and restaurants through distribution will be the channels which most of our growth will be. Buyers in those sectors demand Truth in Labeling. This is ever more important as Covid-19 forced our tasting rooms to be closed, disabling most small wineries, and ultimately making wholesaling more important.

Our company was started by my business partner and myself in 2008 with \$40,000 and an American Express. We now employ 82 families across 4 brands, operate multiple tasting rooms and farm about 30% of our production. We sell wine across the state on grocery store shelves and in fine-dining restaurants. We also sell wine in Louisiana, New York, Illinois and Arkansas. It is tough selling wine in those segments, especially as we have to spend precious time showing buyers that we're 100% where we say we're from. Most restaurants across Texas have already been "burned" by Texas wineries trying to pass off juice as "Texas grown" then come to find out its 25% from California or somewhere else. I show the buyers pictures of our vineyards and the wine stains on my hands. Currently, there is no way to know if wine is 100% Texas grown just like **EVERY** other wine region in the **WORLD**. I ask you to please support Truth in Labeling and help grow our industry.

Sincerely,

Chris Brundrett

William Chris Wine Company